

## AMENDMENTS TO THE CLAIMS

The following listing of claims replaces all prior versions of the claims pending in this application:

### *Listing of Claims*

- 1-80. (Canceled).
81. (Currently amended) ~~An isolated nucleic acid molecule comprising the nucleic acid A recombinant nucleotide sequence consisting of:~~
- (a) CTGTATGTCAGCTTCCGAGACCTGGCTGGCAGGACTGGATCATCGCGCTG  
AAGGCTACGCGCGCTACTACTGTGAGGGGGAGTGTGCCTCCCTCTGAACTC  
CTACATGAACGCCACCAACCACGCCATCGTGCAGACGCTGGTCCACTTCATC  
AACCCGGAAACGGTCCCCAAGCCCTGCTGTGCGCCCACGCAGCTCAATGCCA  
TCTCCGTCCCTACTTCGATGACAGCTCCAACGTCATCCTGAAGAAATACAGA  
AACATGGTGGTCCGGGCCTGTGGCTGCCACTAGCTCCT (nucleotides 16-314 of SEQ ID NO: 42), or
- (b) a sequence encoding an amino acid sequence:  
LYVSFRDLGWQDWIIAPEGYAAYYCEGECAFPLNSYMNATNHAIVQTLV  
HFINPETVPKPCCAPSQLNAISVLYFDDSSNVILKKYRNMVVRACGCH  
(SEQ ID NO: 39), or a conservative amino acid variant thereof,  
wherein said ~~nucleic acid sequence~~ conservative amino acid variant encodes a protein competent to induce bone and cartilage in a mammal.
82. (Currently amended) ~~The isolated nucleic acid molecule of claim 81 comprising the nucleic acid A recombinant nucleotide sequence consisting of:~~
- TGTAAGAACGACGAGCTGTATGTCAGCTTCCGAGACCTGGCTGGCAGGACT  
GGATCATCGCGCCTGAAGGCTACGCGCGCTACTACTGTGAGGGGGAGTGTGC  
CTTCCCTCTGAACTCCTACATGAACGCCACCAACCACGCCATCGTGCAGACG

CTGGTCCACTTCATCAACCCGGAAACGGTGCCCAAGCCCTGCTGTGCGCCA  
CGCAGCTCAATGCCATCTCCGT CCTCTACTTCGATGACAGCTCCAACGTCATC  
CTGAAGAAATACAGAACATGGTGGTCCGGGCCTGTGGCTGCCACTAGCTCC  
T (SEQ ID NO: 42), or

a sequence encoding an amino acid sequence:

CKKHELYVSFRDLGWQDWIIAPEGYAAYYCEGECAFPLNSYMNATNHAIQVQL  
VHFINPETVPKPCCAPSQLNAISVLYFDDSSNVILKKYRNMVVRACGCH (amino  
acids 6-107 of SEQ ID NO: 9), or a conservative amino acid variant thereof,

wherein said conservative amino acid variant encodes a protein competent to induce bone  
and cartilage in a mammal.

- 83-86. (Canceled)
87. (Currently amended) An isolated host cell ~~transformed with the nucleic acid molecule comprising the nucleotide sequence~~ of claim 81 or 82.
88. (Currently amended) The isolated host cell of claim 87, wherein said cell is a prokaryotic or an eukaryotic cell.
89. (Currently amended) The isolated host cell of claim 88, wherein said prokaryotic cell is an E.coli cell, and said eukaryotic cell is a Saccharomyces cell or a mammalian cell.
90. (Currently amended) The isolated nucleic acid molecule nucleotide sequence of any one of claims 81[[-]] or 82~~3~~, wherein the nucleic acid nucleotide sequence is a DNA sequence.
91. (Currently amended) The isolated host cell of any one of claims 87-89, wherein the nucleic acid nucleotide sequence is a DNA sequence.
92. (New) A nucleic acid comprising the nucleotide sequence of claim 81 or claim 82 joined to a recombinant promoter.
93. (New) A nucleic acid comprising the nucleotide sequence of claim 81 or claim 82 joined to a non-native sequence.